

Federal and State Financial Capability Initiatives

The President's Advisory Council on Financial Capability was charged with assisting Americans in understanding financial matters and making informed financial decision. The Council is comprised of 15 members advising the President and the Secretary of the Treasury on ways to empower Americans to better understand and address financial matters in order to improve their financial well-being. The Council worked with the White House to host a Summit on Financial Capability and Empowerment. One of the outcomes of this summit was a preliminary resource guide and toolkit entitled "Every American Financially Empowered." This guide provides examples of financial capability initiatives around the country. In addition, the Council made four main targeted recommendations:

[Every American Financially Empowered: A Guide to Increasing Financial Capability among Students, Workers, and Residents in Communities](#)

1. **YOUTH:** Integrate important aspects of personal finance into teaching of math and English language arts Common Core State Standards for K-12 education as well as other subjects.
 - a. **Status:** The Money as You Learn initiative is underway through collaboration among developers and leaders of the Common Core State Standards for K-12, Jump\$tart Coalition for Personal Financial Literacy, Council for Economic Education, teachers and other experts. A website, MoneyAsYouLearn.org, has been developed.
2. **COMMUNITIES & FAMILIES:** The President and the Secretary of the Treasury encourage the creation of councils at the state, local and tribal level to help improve the financial capability of citizens.
 - a. **Status:** An estimated 110 councils are being formed, according to the National Conference of Black Mayors. The "Creating Financially Capable Communities" resource guide was developed to help localized efforts and is available at <http://www.treasury.gov/resource-center/financial-education/documents/local%20guide%20-%20Creating%20Financially%20Capable%20Communities.pdf>.
3. **WORKPLACE:** The federal government should encourage employers to improve the financial capability of their employees and support that effort by promoting and disseminating "Financial Capability at Work," a resource guide for employers that includes a framework of best practices, resources and supporting research to help employers create and enhance successful workplace financial capability programs.
4. **RESEARCH & EVALUATION:** The Department of the Treasury, in collaboration with the Financial Literacy and Education Commission should explore the possibility of building and sustaining a collaboration hub for research in the field of financial education and behavioral economics that is informed by the research standards used by the Doing What Works Clearinghouse in the Department of Education.

U.S. Financial Literacy and Education Commission: The Financial Literacy and Education Commission were established under the Fair and Accurate Credit Transactions Act of 2003. The

Commission is composed of 21 Federal entities. The Commission was tasked to develop a national financial education web site, (MyMoney.gov) along with a hotline, (1-888-MyMoney) and a national strategy on financial education. The national financial education web site serves as the one-stop shop for federal financial literacy and education programs, grants and other information. MyMoney.gov is available in English and Spanish. The federal government's toll-free hotline provides the public information on federal financial education materials. These are free, unbiased resources from more than 20 federal agencies on various financial topics.

Community Development Financial Institutions Fund: Native Initiatives): Coalition of more than 69 members to help strengthen the Native Community Development Financial Institution industry through financial education. They offer financial assistance (FA) awards and technical assistance (TA) grants. The CDFI makes awards of up to \$750,000 to certified Native CDFIs while the TA grants are up to \$150,000 to increase their capacity to serve Native Communities and/or to create or become certified Native CDFIs.

State Models

Delaware's Stand by Me Program: The Delaware Financial Empowerment Partnership (DFEP) is a joint venture of the State of Delaware and the United Way of Delaware, providing a package of financial empowerment services called \$tand By Me. Services include one-on-one financial coaching, assist with creating a budget and understanding credit, assist with college and financial aid applications, access to consumer loans and savings accounts and referrals to community and public services.
<http://standbymede.org/>

Wisconsin's Office of Financial Literacy (OFL): Wisconsin is the first-ever OFL in the nation in 2000. It has led the effort to build the state a financial literacy infrastructure which includes (1) an acclaimed teacher-training program; (2) a statewide financial literacy awareness and education campaign that mobilizes thousands of organizations and participants from all backgrounds; and (3) the nation's first every model academic standards for personal financial literacy.

Wisconsin Governor's Council on Financial Literacy (GCFL): GCFL was created in 2005 by Executive Order 392. The mission of the Council is to improve the financial literacy of Wisconsin citizens with the support of DEFI and OFL. The Council serves as a sounding board for the Governor's Office. Their initiatives include:

- **Workplace based financial literacy campaign:** The Council supported and endorsed this workplace initiative reaching over 4,000 employees entitled Real Progress and Pathways. Developing and implementing a program to provide employers with tools that efficiently help employees increase their financial literacy. It has offered employee participants over 30,000 hours of online education.
- **Money Smart Week Wisconsin:** This is their statewide financial literacy awareness and education campaign. Over its 5 year history they have reached over 48,000 attendees. This has 27 regional teams organizing on average 600 events annually which are offered by 2,818 volunteer partnering organizations statewide with reach to over 70 municipalities.

- Expand the financial literacy teacher training opportunities by working with the Department of Public Instruction, Office of the Commissioner of Insurance, Wisconsin's National Institute of Financial and Economic Literacy, and other partners, and measure the number of students taught.
- Convene a summit on financial literacy with defined deliverables to improve financial literacy in Wisconsin.

<http://www.wdfe.org/ymm/govcouncilfinlit/>